

**LEGISLATIVE SERVICES AGENCY
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

301 State House
(317) 232-9855

FISCAL IMPACT STATEMENT

LS 7380

BILL NUMBER: SB 494

DATE PREPARED: Jan 12, 1999

BILL AMENDED:

SUBJECT: Reimbursement for expenses of injured employees.

FISCAL ANALYST: Brian Tabor

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**FUNDS AFFECTED: X GENERAL
DEDICATED
FEDERAL**

IMPACT: State & Local

Summary of Legislation: This bill requires an employer to pay for reasonable expenses of travel for treatment of an injured employee regardless of where the treatment is located. It requires an employer to reimburse the injured employee for loss of wages using the basis of the employee's average daily wage when treatment or travel to or from the treatment causes a loss of working time to the employee. Mileage reimbursement for examination or treatment of an injured employee would be computed from the location of the employer to the treatment or the examination, or from the home of the employee to the treatment or the examination, whichever is less.

Effective Date: July 1, 1999.

Explanation of State Expenditures: This bill establishes guidelines for reimbursement of travel expenses following injuries to workers. The bill affects payment of travel expenses related to treatment (after an injury but before an adjudication of permanent impairment) and examinations (during a period of claimed disability or impairment). This bill would likely increase costs for employers, including the state, local units, and school corporations. The amount of additional expenditures incurred as a result of this proposal cannot be determined, however, this amount is likely to be only a fraction of the total costs associated with worker's compensation.

Travel reimbursement for treatment: Under this proposal, an employer would be required to pay the reasonable expense of the most convenient form of transportation to and from treatment. This would apply even if the treatment facility is located outside of the county of employment. If the travel is by automobile, the amount reimbursed per mile cannot exceed the rate established by the Department of Administration for state employees (currently \$0.28 per mile). The bill also specifies that mileage reimbursement would be computed from the location of the employer to the place of treatment, or from the home of the employee to the treatment, whichever is less. In addition, employers would be required to reimburse injured workers for hours lost during travel and treatment based on the employee's average daily wage.

Travel reimbursement for examinations: Current law provides that employers are only required to reimburse Indiana residents for travel to examinations . In addition, the law states that no reimbursement shall be given if an employee travels outside Indiana for an examination. This bill would eliminate these restrictions. The bill also specifies that mileage reimbursement would be computed from the location of the employer to the examination, or from the home of the employee to the examination, whichever is less.

Note: Provisions requiring reimbursement for wages lost during travel and for the most convenient form of transportation are added only concerning travel to treatment. Such provisions are already included under current law when the travel is for examinations.

Explanation of State Revenues:

Explanation of Local Expenditures: See above Explanation of State Expenditures.

Explanation of Local Revenues:

State Agencies Affected: All.

Local Agencies Affected: Local governments and school corporations.

Information Sources: Katrina Clingerman, Policy Analyst, Worker's Compensation Board, (317) 233-3382.